Federal Communications Commission 445 12th Street, S.W. Washington, D.C. 20554

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DA 04-588

Released: March 2, 2004

## DOMESTIC SECTION 214 APPLICATION FILED FOR ACQUISITION OF ASSETS OF TRANSCOM COMMUNICATIONS, INC. BY BUYERS UNITED, INC.

## STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 04-44

Comments Due: March 16, 2004

Reply Comments Due: March 23, 2004

On February 20, 2004, Buyers United, Inc., d/b/a buyersonline, d/b/a United Carrier Networks (Buyers United or Transferee) and Transcom Communications, Inc. (Transcom or Transferor) (together, Applicants), pursuant to sections 63.03 and 63.04 of the Commission's rules, filed an application requesting authority to enable Buyers United to acquire certain Transcom assets.

Applicants assert that this transaction is entitled to presumptive streamlined treatment pursuant to section 63.03(b)(2)(i) of the Commission's rules because: the proposed transaction would result in Buyers United having a market share in the interstate, interexchange market of substantially less than 10 percent; Buyers United would provide competitive telephone exchange services or exchange access services (if at all) exclusively in geographic areas served by a dominant local exchange carrier that is not a party to the transaction; and neither Applicant is dominant with respect to any service and no radio licenses will be assigned to Buyers United as part of this transaction.<sup>2</sup>

<sup>&</sup>lt;sup>1</sup> 47 C.F.R. §§ 63.03, 63.04; see 47 U.S.C. § 214.

<sup>47</sup> C.F.R. § 63.03(b)(2)(i); see 47 C.F.R. § 63.03(b)(3) ("For purposes of (b)(1) and (2) of this paragraph, the terms 'applicant,' 'carrier,' 'party,' and 'transferee' (and their plural forms) include any affiliates of such entities within the meaning of section 3(1) of the Communications Act of 1934, as amended."). See Letter from Jonathan S. Marashlian, Counsel for Applicants to Marlene F. Dortch, Secretary, Federal Communications Commission, WC Docket No. 04-44 (filed Feb. 25, 2004).

Buyers United is a publicly traded Utah corporation (BYRS.OB). Applicants state that no person or entity owns ten percent or more of the equity or voting interest of Buyers United. Buyers United provides resold long distance and dedicated access services to residential consumers and business customers throughout the continental U.S. and Hawaii. Through its United Carrier Networks division (UCN), Buyers United provides advanced business communications services, including contact center software applications hosted within its national Voice over Internet Protocol communications network. Buyers United is a supplier of wholesale telecommunications services to Transcom.

Transcom is a competitive access provider and wholly owned subsidiary of Transcom Holdings, LLC, a Texas limited liability company. Specifically, Transcom provides dedicated access services to customers located throughout the continental U.S. Source Communications, LLC is an affiliated sales agent of Transcom's finished telecommunications services. Applicants state that Transcom and Source share common ownership and management.

On February 9, 2004, Buyers United entered into an Asset Purchase Agreement (Agreement), wherein Transcom, through its affiliated sales agent, Source, agreed to sell and Buyers United agreed to acquire the long distance dedicated access accounts (dedicated access) of 45 customers/33 accounts. Buyers United will also acquire certain assets required to serve the customers' accounts, such as records and local access loops. The majority of the accounts covered by the Agreement are involved in various contact center related business activities, in line with the primary market focus of Buyers United's UCN division.

Applicants contend that the proposed transaction would serve the public interest. Applicants state that, after closing of the proposed transaction, Transcom customers will continue to receive the same telecommunications services they currently receive from Transcom. Applicants maintain that because Buyers United is already the underlying telecommunications provider for the affected Transcom customers, the proposed transaction will not require any physical network migration, thereby eliminating any potential for service interruption. Thus, the proposed transaction will be transparent to customers in terms of the telecommunications services they receive. Moreover, the Applicants state they have provided written notice of the proposed transaction to assure that affected Transcom customers will understand how the proposed change in service provider will affect them. Finally, Applicants state that affected customers will gain access to enhanced services offered by UCN that will complement and enhance their current businesses and communications needs.

## **GENERAL INFORMATION**

The acquisition of assets application identified herein has been found, upon initial review, to be acceptable for filing as a streamlined application. The Commission reserves the right to return any acquisition of assets application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Interested parties may file **comments on or before March 16, 2004** and **reply comments on or before** 

March 23, 2004.<sup>3</sup> Unless otherwise notified by the Commission, Applicants are permitted to transfer on the 31st day after the date of this notice. Comments may be filed using the Commission's Electronic Comment Filing System (ECFS) or by filing paper copies. See Electronic Filing of Documents in Rulemaking Proceedings, 63 Fed. Reg. 24121 (1998).

Comments filed through the ECFS can be sent as an electronic file via the Internet to <a href="http://www.fcc.gov/e-file/ecfs.html">http://www.fcc.gov/e-file/ecfs.html</a>. Generally, only one copy of an electronic submission must be filed. If multiple docket or rulemaking numbers appear in the caption of this proceeding, however, commenters must transmit one electronic copy of the comments to each docket or rulemaking number referenced in the caption. In completing the transmittal screen, commenters should include their full name, U.S. Postal Service mailing address, and the applicable docket or rulemaking number. Parties may also submit an electronic comment by Internet e-mail. To get filing instructions for e-mail comments, commenters should send e-mail to ecfs@fcc.gov, and should include the following words in the subject line "get form <your email address>." A sample form and directions will be sent in reply.

Parties who choose to file by paper must file an original and four copies of each filing. If more than one docket or rulemaking number appears in the caption of this proceeding, commenters must submit two additional copies for each additional docket or rulemaking number. Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by firstclass or overnight U.S. Postal Service mail (although we continue to experience delays in receiving U.S. Postal Service mail). The Commission's contractor, Natek, Inc., will receive hand-delivered or messenger-delivered paper filings for the Commission's Secretary at 236 Massachusetts Avenue, N.E., Suite 110, Washington, D.C. 20002. The filing hours at this location are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of before entering the building. Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743. U.S. Postal Service first-class mail, Express Mail, and Priority Mail should be addressed to 445 12th Street, SW, Washington, D.C. 20554. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

## In addition, one copy of each pleading must be sent to each of the following:

- (1) the Commission's duplicating contractor, Qualex International, 445 12<sup>th</sup> Street, S.W., Room CY-B402, Washington, D.C. 20554; e-mail: qualexint@aol.com; facsimile: (202) 863-2898; phone: (202) 863-2893;
- (2) Tracey Wilson-Parker, Competition Policy Division, Wireline Competition Bureau, 445 12<sup>th</sup>

See 47 C.F.R. § 63.03(a).

Such authorization is conditioned upon receipt of any other necessary approvals from the Commission in connection with the proposed transaction.

Street, S.W., Room 5-C437, Washington, D.C. 20554; e-mail: <u>Tracey.Wilson-Parker@fcc.gov</u>;

- (3) Dennis Johnson, Competition Policy Division, Wireline Competition Bureau, 445 12<sup>th</sup> Street, S.W., Room 5-A103, Washington, D.C. 20554; e-mail: <u>Dennis.Johnso@fcc.gov</u>;
- (4) Julie Veach, Competition Policy Division, Wireline Competition Bureau, 445 12<sup>th</sup> Street, S.W., Room 5-C124, Washington, D.C. 20554; e-mail: <u>Julie.Veach@fcc.gov</u>;
- (5) Christopher Killion, Office of General Counsel, 445 12<sup>th</sup> Street, S.W., Room 8-C740, Washington, D.C. 20554; e-mail: <u>Christopher.Killion@fcc.gov</u>.

Filings and comments are also available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street, SW, Room CY-A257, Washington, DC 20554. They may also be purchased from the Commission's duplicating contractor, Qualex International, Portals II, 445 12th Street, SW, Room CY-B402, Washington, DC 20554, telephone 202-863-2893, facsimile 202-863-2898, or via e-mail <a href="mailto:qualexint@aol.com">qualexint@aol.com</a>.

For further information, please contact Tracey Wilson-Parker at (202) 418-1394 or Dennis Johnson at (202) 418-0809.